

Investing More Than \$50 Million through ApprenticeshipUSA to Expand Proven Pathways into the Middle Class

Today, the Department of Labor (DOL) is announcing its latest step to increase access to apprenticeship – using Fiscal Year 2016 funding for a new \$50.5 million investment in State Expansion Grants to expand apprenticeships across the country in a diverse array of industry sectors. This initiative, called ApprenticeshipUSA, is part of the DOL’s strategy to grow and diversify apprenticeship.

Over the next 18 months, this effort will result in thousands of new apprenticeships in diverse industries, including health care, advanced manufacturing, and information technology, that offer workers not just jobs, but careers. These grants provide funding to 36 States and one territory to undertake new apprenticeship efforts, which will include efforts in both urban and rural communities. Projects will focus on helping a diverse set of workers – including women and minorities who have too often been left out of apprenticeship efforts in the past – enter into these in-demand fields. To learn more about the efforts of all 37 winning ApprenticeshipUSA State Expansion grantees.

Apprenticeships are among the surest pathways to provide American workers from all backgrounds with the skills and knowledge they need to acquire good-paying jobs and grow the economy. In fact, 91 percent of apprentices are employed after completing their programs, with an average starting wage above \$60,000. The return on investment for employers is also impressive — international studies suggest that for every dollar spent on apprenticeship, employers may get an average of \$1.47 back in increased productivity and greater front-line innovation. As a result, expanding apprenticeship is a top workforce priority for many leaders in both the public and private sectors. Since 2014, the U.S. has added more than 150,000 new apprenticeships, the largest increase in nearly a decade. And last year, the first-ever annual funding for apprenticeship programs in the Fiscal Year 2016 spending bill, following a bipartisan agreement.

Today’s announcement builds on a number of efforts that DOL has taken to prepare Americans for the jobs of the future.

Investing More Than \$50 Million to Support Smart State Strategies to Expand Apprenticeship -The grant awards announced today will build on the Administration’s successful investments in state apprenticeship strategies. Recognizing Governors’ unique ability to create smart statewide strategies to expand apprenticeship, DOL is awarding more than \$50 million for ApprenticeshipUSA State Expansion Grants to help states integrate apprenticeship into their education and workforce systems; engage industry and other partners at scale to expand apprenticeship to new sectors and new populations; support state capacity to conduct outreach and work with employers to start new programs; provide support to promote greater inclusion and diversity in apprenticeship; and implement state innovations, incentives, and system reforms. By investing in state strategies for growing apprenticeship opportunities, these funds will help strengthen the foundation for the rapid and sustained expansion of quality apprenticeship nationwide.

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For example: Colorado Department of Labor and Employment – Denver, CO The Colorado Department of Labor and Employment was awarded a \$1.8 million grant to fund the Grow the Middle Class project to expand youth and adult apprenticeships, and pre-apprenticeships for youth within school districts across the state, using the Swiss Apprenticeship model. Colorado will assist businesses in developing new apprenticeships and industry engagement and initiate a pilot program to recruit representatives from growth industries as champions to identify common competencies and standards for apprenticeships in key occupations.

Washington State Department of Labor and Industries – Tumwater, WA The Washington State Department of Labor and Industries was awarded \$2.7 million to fund Project RAISE, a robust effort to coordinate state agency resources, recruit new employers, and advance Registered Apprenticeship opportunities for underrepresented populations. Project activities will include program modernization to increase the state's capacity to support apprenticeship expansion and engage new industry stakeholders. The project will register 600 apprentices in the industries of health care, education, construction, advanced manufacturing and the public sector, among others. Target populations include women, veterans, youth, low-income individuals, people with disabilities and people of color.

Connecticut Department of Labor Office of Apprenticeship Training - Wethersfield, CT The Connecticut Department of Labor Office of Apprenticeship Training (OAT) was awarded a \$1.6 million grant to fund the Connecticut Apprenticeship Expansion Rx project, which targets the aerospace manufacturing and maintenance sector. The project will engage employers to increase new sponsors; and provide underrepresented populations, including women and dislocated and under employed individuals an opportunity to acquire industry required credentials. The project will serve 1,672 apprentices. Target industries include aerospace, aviation, energy, and the building trades. OAT and its partners will also develop multi-media resources as additional tools for sector outreach, a focus on stakeholder engagement, securing apprenticeship sponsors, fostering labor-management collaboration, and planning for increased strategic outreach.

Today's announcement follows a \$10.4 million investment DOL made earlier this year for ApprenticeshipUSA State Accelerator Grants, which provided 52 awards to states, territories, and the District of Columbia to develop strategic plans and build partnerships for apprenticeship expansion and diversification. Grantees also received support to develop comprehensive game plans for encouraging businesses to launch apprenticeship programs in a variety of industries including advanced manufacturing, health care, information technology, construction, and transportation.

In addition, DOL awarded \$20.4 million last month in contracts to 14 national industry intermediaries and national equity partners. As part of the historic investment in apprenticeship, the contracts will support the growth of apprenticeship programs in an increasingly diverse set of industries, including healthcare, construction, transportation and logistics, manufacturing, and information and communications technology; and support efforts to boost the representation of traditionally underrepresented populations in apprenticeship programs. For example, the Washington Technology Industry Association will partner with leading technology companies to create a National Information and Communications Technology Apprenticeship Council (NICTAC) comprised of industry hiring

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partners. The NICTAC will provide underserved populations with access to apprenticeship opportunities in well-paying careers within the information and communications technology industry.

Today's announcement builds on previous efforts to increase access to apprenticeship and job-driven training to prepare workers for highskill jobs, including:

- Investing an unprecedented \$175 million in American Apprenticeship Grants. In September 2015, DOL announced \$175 million in grants to 46 public-private partnerships between employers, organized labor, non-profits, local governments, and educational institutions that are expanding high-quality apprenticeships. The grantees are well on their way to creating more than 34,000 new apprentices in high-growth and high-tech industries including health care, information technology and advanced manufacturing over the next five years.
- Highlighting the value of apprenticeships through LEADERS. More than 180 employers, colleges, and labor organizations have signed on to be ApprenticeshipUSA LEADERS (Leaders of Excellence in Apprenticeship Development, Education and Research) by starting or expanding their own work-based learning programs and encouraging their peers to follow. Together, employers in the LEADERS program have pledged to create nearly 20,000 new apprenticeship positions.
- Expanding opportunities for apprentices to earn credit towards a degree. The Registered Apprenticeship-College Consortium (RACC) was launched to enable graduates of Registered Apprenticeship programs to turn their on-the-job and classroom training into college credits toward an associate or bachelor's degree. Since 2014, 290 colleges nationwide have joined the RACC.